



NATIONAL TEXTILE CORPORATION LTD.

(A Government of India Undertaking)

5th Floor, Core IV, SCOPE Complex

7, Lodhi Road

NEW DELHI -110 003

CONDUCT, DISCIPLINE AND APPEAL RULES, 2009

(Approved by the Board of Directors in its 318th Meeting held on 12-06-2009)

Effective from 15-6-2009

NATIONAL TEXTILE CORPORATION LIMITED

SCOPE Complex, Core-IV, 7, Lodhi Road, New Delhi- 110 003

No. CMD/12/04
June 15, 2009

OFFICE ORDER

SUB : Introduction of Conduct, Discipline & Appeal Rules, 2009

The Board of Directors in its 318th meeting held on 12th June, 2009, approved the introduction of the "National Textile Corporation Ltd. Conduct, Discipline & Appeal Rules, 2009 (NTC Ltd. CDA Rules).

This will come into force with immediate effect (15th June, 2009). The Conduct, Discipline & Appeal Rules applicable to the employees of the erstwhile Holding Company and its nine Subsidiary Corporations, now merged with the Holding Company, stand superseded from the effective date of the new Conduct, Discipline & Appeal Rules, 2009.

Pending the printing and distribution of a copy each to all the employees to whom these rules are applicable, the Chief of HR/Personnel of all offices and mills of the Corporation will be having a copy for reference to any employee. Employees concerned may, for the present, approach them for a reference, if required.

Sd/-

**(K. Ramachandran Pillai)
Chairman & Managing Director**

To :

1. D (T)/DRM/D(F)
2. CVO/GM(R)/GM(P)/GM/(F)/CS/DGM(C)/DGM(GA)/SM(MIS)/CS-AS
3. CGM(T),NTC SRO, Coimbatore
4. Officer Incharge, NTC WRO, Mumbai
5. Officer Incharge, NTC, Kolkata
6. GM-HO, NTC Indore
7. NOTICE BOARD.

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NEW DELHI – 110 003

CONDUCT, DISCIPLINE & APPEAL RULES, 2009

PRELIMINARY

1. SHORT TITLE AND COMMENCEMENT:

1.1 These Rules are called '**National Textile Corporation Ltd. Conduct, Discipline and Appeal Rules, 2009**' or '**NTC Ltd. CD & A Rules 2009**' in short.

1.2 This will come into force with effect from the date it is notified by the Chairman and Managing Director. The Conduct, Discipline and Appeal Rules applicable to the employees of the erstwhile National Textile Corporation Ltd. (Holding Company) and its nine Subsidiary Corporations, now merged with the Holding Company, stand superseded from the effective date of these Rules.

2. APPLICATION:

These Rules shall apply to all the employees of the Corporation irrespective of the nature of employment, such as, regular, contract, adhoc, deputation and temporary excluding those who are covered by the Standing Orders framed under the Industrial Employment (Standing Orders) Act, 1946, as amended from time to time and those employed on casual basis. These Rules will also apply to the Functional Directors of the Corporation appointed by the Government.

3. DEFENITIONS:

In these Rules, unless the context otherwise requires:

- 3.1 '**Appellate Authority**' means the Authority specified in Annexure - 1 empowered by the Board of Directors to consider Appeals and vested with the powers to confirm, set aside, reduce or enhance the punishment appealed against in disciplinary matters:
- 3.2 '**Board**' means the Board of Directors of NATIONAL TEXTILE CORPORATION LIMITED.
- 3.3 '**Chairman & Managing Director**' means the Chairman & Managing Director (CMD) of the Corporation.
- 3.4 '**Competent Authority**' means the Authority under whose control employees are working, such as, the President of India for Chairman & Managing Director and Functional Directors; Chairman & Managing Director in case of General Manager & above; Functional Director in the case of Managers & Dy. General Managers; General Manager in the case of other officers, Supervisors, Staff and Workmen, working under them.
- 3.5 '**Departmental Head**' means Officers of the rank of Dy. General Manager or Officers below the rank of Dy. General Manager specifically nominated as Departmental Head by the Functional Director / General Manager.
- 3.6 '**Corporation**' means the **NATIONAL TEXTILE CORPORATION LTD.** which expression shall include its Registered Office / Corporate Office, all Regional Offices, Production Units (Mills), Marketing Divisions, Sub-Offices, Godowns and Showrooms now in existence in India and abroad and those established in future.
- 3.7 '**Disciplinary Authority**' means the Authority specified as such in Annexure - 1 empowered by the Board of Directors to take disciplinary action under these Rules, against employees working under their control and impose any of the penalties under these Rules.
- 3.8 '**Employee**' means any person employed in the Corporation to whom these Rules are applicable as specified in Clause 2 above.

- 3.9 **'Family'** in relation to an employee includes:
- 3.9.1 wife or husband, as the case may be, of the employee, whether residing with him or not, but does not include a wife or husband, as the case may be, separated from the employee by a decree or order of a competent Court.
 - 3.9.2 sons or daughters or step-sons or step-daughters of the employee wholly dependent on him.
 - 3.9.3 any other person related by blood or marriage wholly dependent on him.
- 3.10 **'Functional Director'** means the Functional Director of the Corporation.
- 3.11 **'Government'** means the Government of India.
- 3.12 **'He / She': 'Singular / Plural':** The term 'He' includes 'She' and 'Singular' includes 'Plural', wherever applicable.
- 3.13 **'Premises'** means building at Registered / Corporate Office, Buildings in Production Units / Mills, Administration Buildings, Regional Offices and buildings, Sub-offices, Godowns, Showrooms, wherever situated in India / abroad as well as vacant space located within the respective Units / Mills and shall include the Estate and vehicles of the Corporation or the vehicles hired for commutation of the employees.
- 3.14 **'President'** means the President of India.
- 3.15 **'Public Servant'** shall mean and include a person as defined in Section 21 of the Indian Penal Code as amended from time to time.
- 3.16 **'Unit Chief'** means a General Manager or any other Senior Executive appointed by the Corporation to Head the Unit / Mills/ Office / Establishment.

CONDUCT REGULATIONS

4. **MOVABLE, IMMOVABLE AND VALUABLE PROPERTY:**

4.1 Whenever an employee acquires or disposes of any immovable property by lease, mortgage, purchase, sale, gift or otherwise in his own name or in the name of any member of his family, he should inform the Competent Authority. Such intimation is also necessary for construction of house / addition to the present house.

4.2 No employee shall, except with the prior sanction of the Competent Authority, enter into any transaction concerning any immovable or movable property with a person or firm having official dealings with the employee or his subordinate.

4.3 Every employee of the Corporation shall report to the Competent Authority, within one month, every transaction concerning movable property owned, acquired or inherited or held by him in his own name or in the name of any member of his family, if the value of such a property exceeds: -

4.3.1 Functional Directors, All officers and staff : Rs. 20,000/-

4.3.2 Unskilled categories, like Attenders, Cleaner, Sweeper, Security Personnel etc. : Rs. 15,000/-

For the purpose of this clause, movable property includes jewellery, shares, securities, debentures, vehicles, furniture, consumer durables, etc. and premium exceeding Rs. 12,000/- paid annually towards insurance policies of the employee or his family.

4.4 **Property returns of Assets & Liabilities:**

Every employee shall, on first appointment in the Corporation's service and thereafter on the first of January each year, or when asked for by the Competent Authority shall submit Property Returns of Assets and Liabilities in the prescribed formats (Annexure - 3) to the Competent Authority as under:

Form No. 1 : Statement showing details of immovable property on first appointment and also on 1st January of each calendar year (e.g., Land, House, Shops, other buildings etc.) (Annexure - 3)

Form No. 2 (original No. 3): Statement of Assets & Liabilities (detailed statement in respect of Shares / Debentures purchased under Promoter's / Employees' quota as on 1st January of each calendar year in his own name and also those held in the name of spouse and dependent children (Annexure – 3).

Explanation – I: Annual Property Returns shall be submitted to the Competent Authority latest by 7th January.

Explanation – II Transaction concerning movable property acquired or gifted to the spouse at the time of marriage by her parents / relatives are not to be reported.

Explanation – III Transaction entered into by the spouse or any other member of family of the employee of the Corporation, out of his own funds (including sthridhan, gifts, inheritance etc.) as distinct from the funds of the employee of the Corporation himself in his own name and in his own right, would not attract provisions of Clause 4.

Explanation – IV As per clarification issued by the Bureau of Public Enterprises of the Government, Chairman & Managing Director of the Corporation shall be the Competent Authority for the purpose of receiving intimation from / granting permissions to the Functional Directors under Clause 4.

5. INVESTMENT LENDING AND BORROWING:

No employee shall, save in the ordinary course of business with a bank, the Life Insurance Corporation or a firm of standing, borrow money from or lend money to or otherwise, place himself under pecuniary obligation to any person with whom he has or is likely to have official dealings or permit any such borrowing, lending or pecuniary obligation in his name or for his benefit or for the benefit of any member of his family.

6. RESTRICTIONS ON OTHER EMPLOYMENT AND BENEFITS:

- 6.1 No employee shall directly or indirectly engage in any other occupation, employment, profession, calling etc., whether for remuneration or not, (outside the policy laid down by the Management from time to time) except with the permission of the Competent Authority;

PROVIDED that an employee may, without such sanction undertake honorary work of social or charitable nature or occasional work of literary, artistic or scientific / professional character, subject to the condition that his official duties do not thereby suffer.

- 6.2 An employee accepting any fee or any pecuniary advantage for any work done by him for any public body or for any private person must declare them to the Competent Authority. No such pecuniary advantage or fee shall be accepted by any employee, if such work is of semi-permanent nature and the total benefit exceeds Rs. 6,000/- in a year.

- 6.3 Honorarium, fee, etc. received by an employee on account of part-time assignment of occasional or of continuous nature such as Lectures for evening classes, professional assignments, etc. undertaken with the prior approval of the Competent Authority, upto Rs. 12,000/- a year may be retained by the employee. One-third of the amount in excess of Rs. 12,000/- received shall be deposited with the Corporation. Any amount received to defray expense towards conveyance or any other expense connected with the assignment will not be treated as Honorarium for the purpose of this clause.

- 6.4 No employee shall, except with the previous sanction of the Competent Authority, permit his son, daughter or any member of his family to accept employment with any company or firm with which he has official dealings, or with any company or firm, having official dealings with the Corporation.
PROVIDED that where the acceptance of the employment cannot await the prior permission of the competent authority, the employment may be accepted provisionally subject to the permission of the Competent Authority, to whom the matter shall be reported forthwith.

- 6.5 No employee shall, in the discharge of his official duties deal with any matter or award any contract relating to a firm or any other person if any member of his family is employed in that firm or under that person or if he or any of his family is interested in any such matter in any other manner, the employee shall refer every such matter or contract to the Competent Authority and the matter or contract shall thereafter be disposed of according to the instructions of such authority to whom the reference is made.
- 6.6 No employee shall use his position or influence directly or indirectly to secure employment for any person related whether by blood or marriage to the employee or to the employee's spouse, whether such a person is dependent or not on the employee.
- 6.7 No Functional Director of the Corporation, including the Chief Executive, who has retired or resigned from the service of the Corporation, after such retirement / resignation, shall accept any appointment or post, whether advisory or administrative, in any firm or Company, whether Indian or Foreign, with which the Corporation has or had business relations, within **ONE year** from the date of his separation on retirement / resignation without prior approval of the Government.
- 6.7.1 the term 'retirement' includes resignation, but not cases of those whose term of appointment was not extended by the Government for reasons other than proven misconduct.
- 6.7.2 the term 'business relations' include 'official dealings' as well.

7. GIFTS

- 7.1 Save as otherwise provided in these Rules, no employee shall accept or permit any member of his family or any person acting on his behalf, to accept any gift.

Explanation:

The expression 'GIFT' shall include, free transport, boarding, lodging or other service or any other pecuniary advantage when provided by any person other than a near relative or a personal friend having no official dealings with the employee.

- 7.2 An employee shall avoid acceptance of lavish or frequent hospitality from any individual or firm having official dealings with him.
- 7.3 On occasions such as weddings, anniversaries, funerals or religious functions, when the making of gifts is in conformity with the prevailing religious or social practice, an employee may accept gifts from his near relatives but he shall make a report to the Competent Authority if the value of the gift exceeds Rs.5000/-.
- 7.4 On such occasions as are specified in Clause 7.3 above, an employee may accept gifts from his personal friends having no official dealings with him, but he shall make a report to the Competent Authority if the value of any such gift exceeds Rs. 2500/-.
- 7.5 Gifts received from foreign dignitaries / firms may be retained by the recipients, if the value thereof does not exceed Rs. 5000/-.
- 7.6 In any other case an employee of the Corporation shall not accept or permit any member of his family or any other person acting on his behalf to accept any gift without the sanction of the Competent Authority, if the value thereof exceeds Rs.1000/-.
PROVIDED that when more than one gift has been received from the same person / firm within a period of 12 months, the matter shall be reported to the Competent Authority, if the aggregate value of the gift exceeds Rs. 1000/-.

8. PROMOTION OF COMPANIES ETC.

No employee shall, except, with the previous sanction of the Competent Authority, take part in registration, promotion or management of any bank, firm, co-operative society chit fund, or other Company registered under the Companies Act, 1956 or any other law for the time being in force.

PROVIDED that an employee may take part in the registration, promotion or management of a professional, literary or scientific or consumer / house building co-operative society substantially for the benefit of employees of the Corporation or charitable society registered under the Societies Registration Act, 1960 or any corresponding law in force.

9. INSOLVENCY AND HABITUAL INDEBTEDNESS

- 9.1 An employee shall avoid habitual indebtedness.
- 9.2 An employee who applies to be or is adjudged or declared insolvent shall forthwith report the fact to his Competent Authority.

10. CONSUMPTION OF INTOXICATING DRINKS AND DRUGS

An employee of the Corporation shall:

- 10.1 strictly abide by any law relating to intoxicating drinks or drugs in force in any area in which he may happen to be for the time being;
- 10.2 not be under the influence of any intoxicating drink or drug during the course of his duty and shall also take due care that the performance of his duties at any time is not affected in any way by the influence of such drink or drug;
- 10.3 refrain from consuming any intoxicating drink or drug in a public place;
- 10.4 not appear in a public place in a state of intoxication;
- 10.5 not use any intoxicating drink or drug to excess.

11 BIGAMOUS MARRIAGE

- 11.1 No employee shall enter into or contract a marriage with a person having a spouse living; and
- 11.2 No employee having a spouse living, shall enter into, or contract a marriage with any person:

PROVIDED that the Competent Authority may permit an employee to enter into or contract, any such marriage as is referred to above, if it is satisfied that:

- 11.2.1 such marriage is permissible under the personal law applicable to such employee and the other party to the marriage; and
- 11.2.2 there are other satisfactory grounds for so doing.

11.3 An employee who is not married at the time of joining the service of the Corporation shall intimate to the Competent Authority the details of his spouse such as name, age, parent's name and address, date of marriage, nationality etc. soon after the marriage.

11.4 An employee who has married or marries a person other than an Indian nationality, shall forthwith intimate the fact to the Competent Authority.

12. INFLUENCE:

No employee shall bring or attempt to bring any outside influence to bear upon any superior authority to further his interests in respect of matters pertaining to his service in the Corporation.

13. INVENTION AND PATENTS

No employee shall without the previous consent in writing of the Chairman & Managing Director / Functional Director, of the Corporation, apply for a patent or exclusive privilege in respect of any invention made by him concerning the Corporation's business during his service in the Corporation or by utilizing the time or facilities of the Corporation. Further, an employee after leaving the service of the Corporation shall not apply for a patent or exclusive privilege in respect of products similar to that of the Corporation for a period of 3 years from the date of his ceasing to be in the service of the Corporation.

14. CRITICISM OF GOVERNMENT AND CORPORATION

No employee shall, in any media – TV / radio broadcast or in any document published under his name or in the name of any other person or in any communication to the Press or in any public utterances make any statement:

14.1 which has the effect of adverse criticism of any policy or action of the Central and / or State Government (s) or of the Corporation; or

- 14.2 which is likely to cause embarrassment in the relationship between the Corporation and the public.

PROVIDED that nothing in these Rules shall apply to any statement made or views expressed by an employee of purely factual nature which are not considered to be of confidential nature in his official capacity or in due performance of the duties assigned to him.

PROVIDED further that nothing contained in this clause shall apply to bonafide expression of views by him as an office-bearer of a recognised trade union for the purpose of safeguarding the conditions of service of such employees or for securing an improvement thereof.

15. CONNECTION WITH PRESS, TV, RADIO OR OTHER MEDIA

- 15.1 No employee shall, except with the previous sanction of the Competent Authority, contribute any article or write up to Newspapers or any other periodical publications concerning Corporation's or Government's interest / policy.
- 15.2 No employee shall, except with the previous sanction of the Competent Authority, or in the bonafide discharge of his duties, participate in a TV, radio broadcast or contribute any article or write any letter in his own name or anonymously, pseudonymously or in the name of any other person to any Newspapers or periodicals. Provided that no such sanction shall be required of such broadcast or such contribution is of a purely literary, artistic or scientific character
- 15.3 No employee shall, except with the previous sanction of the Competent Authority, own wholly or in part or conduct or participate in the editing or management of any newspaper or other periodical publications.

16 RESTRICTION ON COMMUNICATION OF SECRET / CONFIDENTIAL INFORMATION / DOCUMENTS

No employee shall, except in accordance with any general / special order of the Competent Authority or in performance in good faith of the duties assigned to him, communicate directly or indirectly any official documents or information of the Corporation of a secret or confidential nature to any employee or any other person to whom he is not authorized to communicate such documents or information.

Explanation

Quotation by an Officer in his representation to the Head of the Department or to the Chairman & Managing Director or to the Board of Directors of the Corporation or to any other authority of the Corporation / Government, from any letter, Circular or Office Memorandum or from the Notes on any file to which he is not authorized to have access or which he is not authorized to keep in his personal custody for personal purposes shall amount to unauthorized communication of information within the meaning of this rule.

17. EVIDENCE BEFORE COMMITTEE OR ANY OTHER AUTHORITY

- 17.1 Save as provided in clause 17.3, no employee shall, except with the previous sanction of the Competent Authority, give evidence in connection with any enquiry conducted by any person, committee or authority.
- 17.2 Where any sanction has been accorded under clause 17.1, no employee giving such evidence shall criticise the policy or any action of the Central Government or of State Government or of the Corporation.
- 17.3 Nothing in this rule shall apply to:
 - 17.3.1 evidence given at any enquiry before an authority appointed by the Government, Parliament or a State Legislature or the Corporation;
 - 17.3.2 Evidence given in any judicial enquiry; or
 - 17.3.3 Evidence given at any departmental enquiry ordered by authorities subordinate to the Government or the Corporation.

18. VINDICATION OF OFFICIAL ACTS

No employee, shall, except with the previous sanction of the Competent Authority have recourse to any Court or to the Press for vindication of any official act which has been the subject of adverse criticism or an attack of defamatory character.

PROVIDED that nothing in this rule shall be deemed to preclude an employee from vindicating his private character or any act done by him in his private / personal capacity.

19. RESTRICTION FOR TAKING PART IN POLITICAL ORGANISATION OR ELECTION.

No employee shall –

- 19.1 take part in, or associate himself with or subscribe to or in aid of or otherwise assist in any way any political organization or its activities;
- 19.2 contest or canvass in any election to Parliament, State Legislature, City Corporations, Municipality, Zilla Parishads, Panchayats and Trade Union Organisation.
- 19.3 contest or canvas or participate in any manner in an election held by a trade union representing the interest of workmen covered under the Certified Standing Orders of the Corporation.

20. JOINING OF CERTAIN ASSOCIATIONS

No employee shall join or continue to be a member of an association the objects or activities of which are prejudicial to the interests of the Corporation or of the sovereignty and integrity of India or Public Order.

21. TAKING PART IN DEMONSTRATION AND STRIKE

No employee shall:

- 21.1 Engage himself or participate in any demonstration which is prejudicial to the interests of the sovereignty and integrity of India, the security of the States, friendly relation with foreign states, public order, decency or morality, or which involves contempt of court, defamation or incitement to an offence; or
- 21.2 Resort to or in any way abet any form of illegal strike in connection with any matter pertaining to his service or the service of any other employee of the Corporation.

22. GENERAL CONDUCT

Every employee shall at all times:

- 22.1 Maintain absolute integrity and devotion to duty and conduct himself in a manner conducive to the best interests of the Corporation and shall not do any act, which is unbecoming of him or is prejudicial to the interests of the Corporation.
- 22.2 Conform to and abide by the provisions of the Rules and regulations made by the Corporation from time to time.
- 22.3 Comply with and obey all lawful orders, which may be issued to him from time to time in the course of his official duties by the Corporation or by any person or persons to whom he may be subordinate in the service of the Corporation.
- 22.4 Every employee holding a supervisory post shall take all possible steps to ensure the integrity, devotion to duty of all employees for the time being under his control and authority.

DISCIPLINE & APPEAL REGULATIONS AND DISCIPLINARY ACTION PROCEDURE

23 Misconduct:

- 23.1 Without prejudice to the generality of the term 'Misconduct', the following acts of omission and commission shall be treated as 'Misconducts':
 - 23.1.1 Furnishing at the time of employment or thereafter, wrong or incomplete information or suppressing any information germane to the employment regarding name, father's name, age, qualifications, caste, address, marital status, ability, previous service or experience, conviction in a Court of Law, dismissal, removal or compulsory retirement by a previous employer, or any other relevant information.
 - 23.1.2 Proxy registering of attendance or abetting the act or registering of attendance of another employee.

- 23.1.3 Habitual late arrival or early departure or irregular attendance.
- 23.1.4 Absence without leave or overstaying the sanctioned leave for more than 7 consecutive days without sufficient grounds or proper satisfactory explanation.
- 23.1.5 Obtaining or attempting to obtain leave or absence by false pretence or feigning sickness or malingering.
- 23.1.6 Absence from the employee's appointed place of work without permission or sufficient cause, loitering within or outside premises during working hours.
- 23.1.7 Applying for appointment, scholarships, fellowships, travelships or for any training to Government or any Public Sector / Private Sector Undertakings without the permission of the Management.
- 23.1.8 Wilful slowing down in performance of work, willful damage to work in process or abetment or instigation thereof, serious negligence in discharge of duties, malingering, dereliction of duty resulting in considerable loss to the Corporation, recklessness, exercise of discretion without or in excess of powers / jurisdiction, causing undue loss to the Corporation or a concomitant gain to an individual and flagrant violation of systems and procedures.
- 23.1.9 Falsification of Corporation's records, impersonation or forgery.
- 23.1.10 Wilful insubordination or disobedience (whether or not in combination with others) of any lawful and reasonable order of his superior or commission of any act subversive of discipline or of good behaviour.
- 23.1.11 Making representations to persons or bodies outside the Corporation whether official or otherwise on matters connected with the affairs of the Corporation or personal grievances against the Management.

- 23.1.12 Making representations or sending grievance petitions to the members of the Board of Directors or the Senior Management or any authority in Government, except through proper channels. (This does not prevent submission of appeals to the prescribed Appellate Authorities under these Rules).
- 23.1.13 Collection of money without the permission of the Competent Authority within the premises of the Corporation except as sanctioned by any law of the land for the time being in force or Rules or orders of the Corporation or collection of donation / funds under any pretext from dealers / suppliers and parties with whom the Corporation has official and business connection, even if such act is on behalf of a service association.
- 23.1.14 Attending or holding meetings other than in the course of duty within the Corporation's premises without prior permission of the Competent Authority.
- 23.1.15 Distribution or exhibition of any newspaper clippings / bulletins, handbills, pamphlets, protest-badges, etc. within the Corporation's premises.
- 23.1.16 Deliberately making false statements or allegations in writing or otherwise before a superior or any higher authority within the Corporation or Government against employees, superiors or any other person knowing it to be false or writing anonymous or pseudonymous letters with a view to maligning any employee of the Corporation.
- 23.1.17 Participation and / or inciting others to participate in illegal strikes, gheraos, picketing and similar other agitational activities or abetting, inciting or acting in furtherance thereof.
- 23.1.18 Unauthorised custody and / or use or damage of the Corporation equipment, tools quarters, offices, godowns, land or any other property of the Corporation.

- 23.1.19 Gambling within the premises of the Corporation.
- 23.1.20 Smoking within the premises of the Corporation where it is prohibited.
- 23.1.21 Interference or tampering with any safety devices or violating the safety or environmental regulations in or around the premises of the Corporation.
- 23.1.22 Refusal to accept and acknowledge or take notice of chargesheets, transfer orders or any other communication addressed to an employee served either in person or in due course by post or by notification on the Corporation's Notice Board and / or failure in reporting at the new place of posting within the permissible time.
- 23.1.23 Sleeping while on duty.
- 23.1.24 **Sexual harassment:** Indulging in any act amounting to 'sexual harassment' of working women at the work place of the Corporation, which includes such unwelcome sexually determined behaviour, (whether directly or by implication) as:
- (a) Physical contact and advances;
 - (b) Demand or request for sexual favour;
 - (c) Sexually coloured remarks;
 - (d) Showing pornography and
 - (e) Any other unwelcome physical, verbal or non-verbal conduct of a sexual nature.
- 23.1.25 **Computer related :** Hacking, viewing unauthorized / obscene sites on internet, sabotage of computer system / data, use of computer facility for purposes other than the assigned responsibilities, accessing, stealing and misuse of confidential data and its unauthorized transmission, planting virus or create any malicious programme which can tamper with official data and unauthorized alteration of data / figures saved in the system.

- 23.1.26 Theft, fraud, bribery, dishonesty or acting under outside influence in connection with the business or property of the Corporation or of the property entrusted to the Corporation or to another employee.
- 23.1.27 Drunkenness, riotous or disorderly or indecent behaviour or possession of any lethal weapon in the premises of the Corporation or outside premises, where there is a nexus between employment and such commission and / or where such behaviour is likely to affect the image of the Corporation.
- 23.1.28 Conviction by a Court of Law for any criminal offence involving moral turpitude or conviction by a Court of Law or for any other serious criminal offence.
- 23.1.29 Embezzlement or misappropriation of Corporation's money, possession of pecuniary resources or property disproportionate to the known sources of income by the employee or by his family or in his behalf by another person which the employee cannot satisfactorily account for and misuse of official position / powers for personal gain.
- 23.1.30 Taking or giving bribes or any illegal gratification or indulging in corrupt practices.
- 23.1.31 Act of terrorism or direct or indirect involvement in any activity connected with terrorism.
- 23.1.32 Sub-letting or refusal to vacate or unauthorized additions or alterations of Corporation's quarters without written permission of the Management.
- 23.1.33 Misuse of any facility or amenity provided by the Corporation or failure of the employee in any way whatsoever to comply with the terms and conditions under which a loan / advance has been granted to him as per the Corporation's Rules or Schemes.

- 23.1.34 No employee shall, during the course of his employment fail to maintain his spouse and family nor act in any manner, which is unbecoming of an employee of the Corporation.
- 23.1.35 Refusal to work extra hours on working days or on holidays or on weekly off days when required to do so in exigencies of the Corporation's work.
- 23.1.36 Taking any active part in a meeting or demonstration organized by a political party, to be an office bearer of a political party or an organization which takes part in politics or take part in / or assist in any movement, agitation / demonstration of a political party, or any banned organization by Central / State Government.
- 23.1.37 Spreading or encouraging casteism, regionalism or communalism.
- 23.1.38 Give or take or abet the giving or taking of dowry or demand directly or indirectly from the parents or guardian of a bride or bridegroom as the case may be, any dowry, under the Dowry Prohibition Act, 1961 (28 of 1961) as per details given in Annexure – 2.
- 23.1.39 Damage to any property of the Corporation, or public property
- 23.1.40 Disclosing to any unauthorized person any information in regard to the process of the Corporation, which may come into the possession of the employee in the course of his employment.
- 23.1.41 Purchasing properties, machinery, stores, etc. from or selling properties, machinery, stores, etc. to the Corporation without express permission in writing from the Competent Authority.
- 23.1.42 Abetment of or attempt at abetment of any act, which amounts to misconduct.
- 23.1.43 Breach of any provision of these Conduct Rules.
- 23.1.44 Any other act or omission which the Corporation considers as misconduct.

Note: The above instances of misconduct are illustrative in nature and not exhaustive.

23.2 Punishment for misconduct:

Any one or more of the following punishments may be imposed on an employee by the Disciplinary Authority based on the gravity of the misconduct, or for any other good and significant reason: -

23.2.1 Minor penalties:

- (a) Censure.
- (b) Withholding of increments of pay with or without cumulative effect.
- (c) Withholding of promotion.
- (d) Recovery from pay of the whole or part of any pecuniary loss caused to the Corporation by negligence or breach of order.
- (e) Reduction to a lower stage in the time scale of pay for a period of not exceeding 3 years, without cumulative effect and not adversely affecting his terminal benefits.

23.2.2 Major penalties:

- (a) Save as provided in clause 26.2.1 (e) reduction to a lower stage in the time scale of pay for a specified period, with further directions as to whether or not the employee will earn increments of pay during the period of such reduction and whether on expiry of such period, the reduction will or will not have the effect of postponing the future increment of pay.
- (b) Reduction to a lower time scale of pay grade, post or service which shall ordinarily be a bar to the promotion of the employee to the time scale of pay, grade, post from which he was reduced, with or without further directions regarding conditions of restoration to the grade or post from which the employee was reduced and his seniority and pay on such restoration to the grade or post. However, reduction to a lower scale or post shall be to the next below scale or post. Such reduction shall not be done below the induction level of the employee concerned.

- (c) Compulsory retirement
- (d) Removal from service, which shall not be a disqualification for future employment under the Government or a Corporation / Company owned or controlled by the Government
- (e) Dismissal from service which shall ordinarily be a disqualification for future employment under the Government or a Corporation / Company owned or controlled by the Government.
- (f) Total or partial forfeiture of Gratuity where the employee has retired from the service

PROVIDED further that in any exceptional case and for special reasons to be recorded in writing, any other penalty may be imposed.

Explanation:

The following shall not amount to a penalty within the meaning of these Rules:

- (i) Withholding of increment of any employee on account of his work being found unsatisfactory or not being of the required standard, or for failure to pass prescribed test of examination;
- (ii) Stoppage of an employee at the efficiency bar in a time scale, on the ground of his unfitness to cross the bar;
- (iii) Non-promotion, whether in an officiating capacity or otherwise of an employee, to a higher post for which he may be eligible for consideration but for which he is found unsuitable after consideration of his case;
- (iv) Reversion to a lower grade or post, of an employee officiating in a higher grade or post, on the ground that he is considered, after trial, to be unsuitable for such higher grade or post, or an administrative grounds unconnected with his conduct;

- (v) Reversion to his previous grade or post, of an employee appointed on probation to another grade post, during or at the end of the period of probation, in accordance with the terms of his appointment;
- (vi) **Termination of service: -**
- of an employee appointed on probation during or at the end of the period of probation, in accordance with the terms of his appointment;
 - of an employee appointed in a temporary capacity otherwise than under a contract or agreement, on the expiration of the period for which he was appointed, or earlier in accordance with the terms of his appointment;
 - of an employee appointed under a contract or agreement, in accordance with the terms of such contract or agreement; and
 - of any employee as a result of retrenchment, premature retirement or on downsizing of the establishment.
- (vii) If 10 or more employees, acting in concert, absents themselves from their work place or stop work without reasonable cause, the management shall have the right to deduct from their salary upto 8 times the proportionate salary for the period of their absence or wilful idleness as the case may be, in addition to taking disciplinary action against them as the management may deem fit. Any such penal salary deduction also will not be treated as penalty.

24. SUSPENSION

24.1 The Disciplinary Authority may, depending upon the gravity and circumstances of the misconduct place an employee, including a deputationist, under suspension in the following circumstances:

24.1.1 pending disciplinary action or investigation;

- 24.1.2 where the continued presence of the employee in the work place is considered to be harmful to the interests of the organization or the orderly conduct of any investigation or enquiry or maintenance of discipline in the department or the establishment or is likely to prejudice investigation or enquiry;
- 24.1.3 where the alleged misconduct is grave in nature like corruption, embezzlement or misappropriation of Corporation's money, possession of disproportionate assets, misuse of power for personal gain etc.
- 24.1.4 In the matter of any offence, the employee is in detention in police / judicial custody for more than 48 hours or is under arrest or on bail for any criminal offence till the disposal of the case.
- 24.1.5 where the employee is apprehended committing acts like theft, arson, deliberate damage to plant and property, riotous or disorderly or indecent behaviour, carrying dangerous weapons, tampering with evidence, intimidation of witnesses, etc.
- 24.1.6 during pendency of a case against an employee in respect of any criminal offence under investigation or trial;
- 24.1.7 involvement in offence or conduct involving moral turpitude, serious negligence and dereliction of duty resulting in considerable loss to the Corporation, desertion of duty and refusal or deliberate failure to carry out instructions or orders of Superiors;
- 24.1.8 when the Disciplinary Authority is of the considered opinion that the disciplinary proceedings pending against the employee due to serious charges are likely to conclude with the possible / compulsory retirement or removal or dismissal of the employee concerned or the pending criminal case will result in his conviction;
- 24.1.9 when the employee is engaged in activities prejudicial to the interests of the Corporation;
- 24.1.10 for any other valid reasons.

- 24.2 It shall be obligatory on the part of the Disciplinary Authority to intimate the reasons for suspension of the employee concerned within a period of 7 days from the date of suspension, if such reasons are not indicated at the time of suspension
- 24.3 During the period of suspension, the employee concerned shall not be entitled to enter the premises of any of the Offices/ Sub-offices / Mills / Showrooms of the Corporation except with the prior permission of the Disciplinary Authority / Competent Authority.
- 24.4 The employee under suspension shall not leave the headquarters during the period of suspension without the prior written permission of the Disciplinary Authority.
- 24.5 Where a penalty of dismissal or removal from service imposed on an employee under suspension is set aside on appeal, and the case is remitted for further enquiry or action or with any other direction, the order of his suspension shall be deemed to have continued in force on and from the date of the original order of dismissal or removal and shall remain in force until further orders of the Disciplinary Authority.
- 24.6 Where penalty of dismissal or removal from service imposed upon an employee is set aside or declared or rendered null and void in consequence of or by a decision of the Court of Law and the Disciplinary Authority, on consideration of the circumstances of the case, decided to hold a further enquiry against him on the allegations on which the penalty of dismissal or removal was originally imposed, the employee shall be deemed to have been placed under suspension from the date of the original order of dismissal or removal and shall continue to remain under suspension until further orders.
- 24.7 In case of change of local residential address during the period of suspension, the employee under suspension shall immediately intimate his new address to the Disciplinary Authority.
- 24.8 An Order of Suspension made under these Rules, may at any time be revoked by the Disciplinary Authority for valid reasons.

24.9 Payment of subsistence allowance:

24.9.1 An employee under suspension shall be entitled to Subsistence Allowance at half his basic salary plus dearness allowance for the period of his suspension. If, however, the period of suspension exceeds 3 months for reasons to be recorded in writing for which the employee is not responsible, the Subsistence Allowance shall be 75% of his basic salary plus dearness allowance. Where, however, the employee is responsible for extension of his suspension period beyond 3 months, the amount of his Subsistence Allowance shall be 25% of his basic salary plus dearness allowance.

24.9.2 Where the enquiry is by an outside agency or as the case may be, where criminal proceedings against the employee are under investigation or trial, the Subsistence Allowance shall for the first 6 months from the date of suspension be equal to 50% of his basic salary plus dearness allowance. If such enquiry or criminal proceedings gets prolonged and the employee continues to be under suspension for a period exceeding 6 months, the Subsistence Allowance shall, for such period, be equal to 75% of his salary plus applicable dearness allowance. Provided, that where such enquiry or criminal proceedings gets prolonged beyond a period of 6 months for reasons directly attributable to the employee, the Subsistence Allowance shall, for the period exceeding 6 months, be reduced to 25% of the salary plus dearness allowance.

24.10 The payment of Subsistence Allowance shall be subject to:

24.10.1 submission of a written declaration by the employee that he is not engaged in any other gainful employment, business, profession, calling or avocation during the period for which Subsistence Allowance has been claimed and that the declaration is acceptable to the Disciplinary Authority. If the declaration is not acceptable, the Disciplinary Authority shall intimate reasons therefor to the concerned employee;

24.10.2 the employee concerned follows the conditions stipulated at Clause 24.10.1 above.

- Note:** (1) The Subsistence Allowance will not be payable in the event of failure on the part of the employee to abide by the above stipulations.
- (2) If the declaration submitted is found to be false or incorrect, the Corporation will recover the Subsistence Allowance already paid in the manner decided by the Disciplinary Authority and the employee concerned is liable for disciplinary action for the stated declaration. Management also reserves the right to deny payment of further Subsistence Allowance in such cases.
- (3) Notwithstanding anything contained in Clause 24.9.1 and 24.9.2 above, if any employee is arrested by the Police on a criminal charge and bail is not granted, no Subsistence Allowance would be payable. On grant of bail, if it is decided to continue suspension, the employee shall be entitled to Subsistence Allowance from the date he is granted bail.

24.11 Treatment of suspension period:

- 24.11.1 On conclusion of the enquiry or the criminal proceedings, if he is found to be not guilty of any of the charges or any other misconduct, he shall be deemed to have been on duty during the period of such suspension and shall be entitled to the same salary and other allowances as he would have received if he was not placed under suspension, after deducting the Subsistence Allowances already paid to him for such period.
- 24.11.2 On conclusion of the enquiry or criminal proceedings, if the employee has been found guilty of the charges framed against him or any other misconduct and he is punished by imposing any of the penalties mentioned in Clause 23.2 above, the employee shall be deemed to have been absent from duty during the period of suspension and shall not be entitled to salary and other allowances for such period. However, the Subsistence Allowances already paid shall not be recovered. In the event of acquittal by the Court, the payment of full salary and other allowances for the period of suspension will be made without prejudice to the rights of the Disciplinary Authority for taking disciplinary action against the employee as per the Rules of the Corporation.

24.11.3 No deduction of any kind shall be made from the Subsistence Allowance payable under these Rules, except the following: -

- (a) Statutory deduction like income tax.
- (b) Allied charges like house rent, electricity, water, furniture, etc.
- (c) Repayment of loans on insurance premium or payment to Co-operative Society or PF loan recovery at the option of the employee. However, recovery towards loans given by the Corporation may be reduced or rescheduled in consultation with the employee to avoid any hardship.
However, normal deductions will be made from the arrears, if any, payable as per Clause 24.11.1 mentioned above.

25. DISCIPLINARY ACTION PROCEDURE FOR IMPOSING MAJOR PENALTY:

25.1 No order imposing any of the major punishments specified in clause 23.2.2 shall be made unless an enquiry is held in accordance with these Rules and the principles of natural justice. If the article of charges has been admitted by the charge-sheeted employee at the preliminary hearing of the enquiry or at any stage of the enquiry, further proceedings of the enquiry on the admitted charge need not be conducted. A report submitted by a Complaints Committee constituted from time to time relating to misconduct on sexual harassment mentioned at Clause 23.1.24 shall be deemed to be an enquiry report under these Rules.

25.2 When the Disciplinary Authority comes to conclusion that there is a prima facie case of misconduct against an employee based on the complaint or preliminary enquiry / investigation, vigilance report or in any other manner, a charge sheet may be issued specifying the details of the allegations and article of charges. The article of charges should be serially numbered and the statement of imputation shall contain all the specific details of the matter. The charge sheet should be accompanied by a list of documents and the list of witness in support of the charges. Acquittal of an employee in a criminal case will not preclude the management in initiating disciplinary action simultaneously or otherwise, depending on the facts and circumstances. Departmental proceedings need not necessarily be delayed or kept in abeyance unless there is question of law or fact involved in the criminal case.

- 25.3 A charge-sheeted employee shall be required to submit within SEVEN days, a written reply to the charge-sheet indicating as to whether he admits or denies any or all of the article of charges. Disciplinary Authority may grant extension of time in genuine cases upto a maximum of 15 days.
- 25.4 If the reply to the charge-sheet so received is not considered satisfactory or if no such reply is received within the specified time, an enquiry may be held by an Enquiry Officer appointed under these Rules.
- 25.5 **Domestic Enquiry:** The Disciplinary Authority may himself enquire into the article of charges or appoint any Officer of the Corporation, public servant, or any other person as Enquiry Officer to hold an enquiry. An Officer of the Corporation appointed as Enquiry Officer shall be at least one grade above the level of the Charge-sheeted employee. A person who is a witness to the incident is not eligible to be appointed as Enquiry Officer. The Disciplinary Authority may also appoint a Presenting Officer to present on his behalf the case in support of the article of charges. If the Enquiry Officer and the Presenting Officer are employees of the Corporation, care should be taken to ensure that the Presenting Officer is not senior to the Enquiry Officer and not too junior compared to the charge-sheeted employee or his subordinate so that he can effectively perform his functional role. The Enquiry Officer shall conduct the enquiry affording a reasonable opportunity to the charge-sheeted employee to defend himself in accordance with the principles of natural justice. The charge-sheeted employee shall have freedom of expression and opportunity to cross-examine the Management's witness and produce oral and documentary evidence, if any, and produce witness in his defence. A hostile witness may be allowed to be cross-examined by Presenting Officer or the charge-sheeted employee or his Defence Assistant as the case may be. In case the Presenting Officer himself is a Management Witness, his witness statement should be made first as Management Witness-I before he examines other Management Witnesses. The charge-sheeted employee is entitled to receive a copy of the proceedings of the enquiry on a daily basis. He is also entitled to inspect the documents produced against him or receive copy of the documents except those treated as confidential and the Presenting Officer is granted privilege thereof by the Enquiry Officer.

- 25.6 **Joint Enquiry:** Depending on the nature of misconduct and involvement of two or more employees, the Disciplinary Authority may also order a Joint Enquiry. Such common proceedings shall be instituted by the Disciplinary Authority competent to impose a major penalty on all such employees and the specified authority nominated by the unit Chief or any other higher authority may function as the Disciplinary Authority for the purpose of such common proceedings.
- 25.7 **Defence Assistant:** The Disciplinary Authority or the Enquiry Officer may permit the charge-sheeted employee to take the assistance of another employee of the same Office/Unit or other Unit / Office under the Corporation located in the same place in the enquiry as Defence Assistant, provided that such employee is not under suspension and is not a representative in more than two cases and no disciplinary / vigilance case is pending against him. The charge-sheeted employee is not entitled to engage a Legal Practitioner as Defence Assistant in normal circumstances. However, management may consider the request of the employee to engage a Legal Practitioner if the Presenting Officer is a Law Graduate or is a substantially trained person in handling disciplinary matters in the interest of justice to the employee.
- 25.8 **Time limit to complete the Enquiry:** All efforts shall be made by the Enquiry Officer to complete an enquiry within 3–6 months. In case of further delay for any reason whatsoever, a report to that effect may be sent to the Disciplinary Authority for information, review and necessary direction to expedite the enquiry. The Enquiry Officer may submit his report within a month of the conclusion of the enquiry.
- 25.9 **Enquiry report:** The Enquiry Officer, after conducting the enquiry shall send his report to the Disciplinary Authority. The report of the Enquiry Officer should contain a gist of the article of charges, statement of imputation of misconduct, details of the defence of the employee in respect of each article of charges, assessment of the Enquiry Officer of the evidence in respect of each article of charges and his findings and conclusions. The conclusions should clearly state in respect of each article of charge as to whether the same has been proved or not proved in the enquiry with reasons thereof.

25.10 **Decision of Disciplinary Authority:** After considering the findings of the Enquiry Officer and the records of the enquiry, the Disciplinary Authority shall take a decision depending on the facts, circumstances and merit of the case for the quantum of punishment as specified in Clause 23.2 of these Rules or for exoneration. The Disciplinary Authority will have the right to remit the case back to the Enquiry Officer for fresh or further enquiry for justified reasons to be recorded in writing. The Disciplinary Authority can also disagree with the findings, record reasons thereof and record his own findings on the charges, if the evidence on record is sufficient for the purpose. In the case of major penalty proceedings, a copy of the enquiry report may be given to the charge-sheeted employee to enable him to make such submission as he deems fit. This should be done within 10 days of receipt of the enquiry report. In cases where the Disciplinary Authority differs with the findings of the Enquiry Officer, the same should also be intimated to the charge-sheeted employee along with the copy of the enquiry report. The Disciplinary Authority shall take final decision in such cases, about the quantum of punishment only after considering the representation, if any, submitted by the charge-sheeted employee. The Disciplinary Authority may grant a personal hearing to the charge-sheeted employee, if he so desires, before a final decision is taken. The Disciplinary Authority may take a final decision within a month of receipt of the report.

PROVIDED that, in every case in which the charge of possession of assets disproportionate to known sources of income (clause 23.1.29) or the charge of acceptance from any person of any gratification other than legal remuneration (clause 23.1.30) as a motive or reward for doing or forbearing to do any official act or involvement in any act of terrorism (clause 23.1.31) or fraud (clause 23.1.26) or financial embezzlement (clause 23.1.29) is established, the penalty mentioned in clause 23.2.2 (e) shall be imposed.

25.11 **De-novo Enquiry:** If the report of the Enquiry Officer is found not satisfactory, the Disciplinary Authority may order a *de novo* enquiry by the same or a different Enquiry Officer.

25.12 **Cases of Directors and C & MD:** In the case of the Functional Directors, if the CVO of the Administrative Ministry asks for a factual report against a Board-level appointee from the CVO of the Corporation, the latter will send the same to the CVO of the Ministry, after endorsing a copy of the report to the CMD to keep him informed of the development.

However, if the CMD himself is the subject matter of the investigation, the CVO of the Company need not endorse the copy of the report to him. In such an event, the CVO of the Ministry shall obtain the version of the CMD (qua suspect person) at the appropriate time. The CVO of the Ministry may make a reference to the CVC after collecting all the relevant facts / figures and following the prescribed procedure/s.

25.13 Continuation of enquiry beyond Superannuation:

25.13.1 Disciplinary proceedings, if instituted while the employee was in service whether before his retirement or during his re-employment, shall, after the final retirement of the employee, be deemed to be subsisting proceedings and shall be continued and concluded by the authority by which it was commenced in the same manner as if the employee had continued in service.

25.13.2 In such cases, the employee will cease to be in the services of the Corporation from the date of superannuation / retirement and will not be eligible for salary or any other benefits from the date following the date of superannuation / retirement. He will also not be entitled to the payment of retirement benefits till the proceedings are completed and final order is passed thereon, except his own contribution to Contributory Provident Fund.

25.14 Withholding Gratuity in certain cases:

During the pendency of the disciplinary proceedings, the Disciplinary Authority may withhold payment of Gratuity, for ordering the recovery from Gratuity of the whole or part of any pecuniary loss caused to the Corporation if the employee is found in a disciplinary proceedings or judicial proceedings to have been guilty of offences / misconduct as mentioned in sub-section (6) of Section 4 of the Payment of Gratuity Act, 1972 or to have caused pecuniary loss to the Corporation by misconduct or negligence, during his service including service rendered on deputation or on re-employment after retirement. However, the provisions of Section 7(3) and 7(3A) of the Payment of Gratuity Act, 1972 should be kept in view in the event of delayed payment, in case the employee is fully exonerated.

25.15 **Special procedure in certain cases:**

Notwithstanding anything contained in Clause 25.1, the Disciplinary Authority may impose any of the penalties specified in Clause 23.2.2, in any of the following circumstances: -

- 25.15.1 When the employee has been convicted on a criminal charge by a Court of Law.
- 25.15.2 Where the Disciplinary Authority is satisfied for reasons to be recorded in writing that it is not reasonably practicable to hold an enquiry;
- 25.15.3 Where the Disciplinary Authority is satisfied that in the interests of the security of the Corporation or its employees, it is not expedient to hold an enquiry.

25.16 **Disciplinary matters of employees appointed on deputation:**

- 25.16.1 Where an order of suspension is made or disciplinary action is initiated against an employee who is on deputation to the Corporation, from Central Government or a State Government, any Public Sector Undertaking, an Autonomous Institution etc. the Authority lending the services (hereinafter referred to as 'parent organisation') shall be informed of the circumstances leading to the order of his suspension and the commencement of the disciplinary proceedings.
- 25.16.2 In case of minor penalty, the parent organization may be consulted at the discretion of the Disciplinary Authority, before imposition of the penalty. A copy of the Order of Penalty may be sent to the parent organisation.

25.16.3 If the Disciplinary Authority is of the opinion that any of the major penalties should be imposed on him, it may do so in consultation with the parent organization or repatriate the services of the deputationist to his parent organization. In such cases, the records relating to the misconduct may be forwarded to the parent organization for necessary action.

25.16.4 If the deputationist submits an appeal against the order of minor or major penalty, the same will be disposed of in consultation with the parent organization.

26 PROCEDURE FOR IMPOSING MINOR PENALTY:

On receipt of reply from the charge-sheeted employee against the charge-sheet issued under these Rules or where no reply has been given by the employee, the Disciplinary Authority, based on the facts, circumstances and merit of the case and after going through the records of the case, shall take appropriate action to exonerate the employee, if found not guilty or impose any of the minor penalties specified in clause 23.2.1 as deemed fit. For imposing a minor penalty, it is not essential to conduct an enquiry.

27 APPEAL

27.1 The aggrieved employee may appeal against an order imposing upon him any of the penalties. The appeal shall lie to the Appellate Authority.

27.2 An appeal shall be preferred within one month from the date of communication of the order appealed against. The Appellate Authority may condone delayed submission upto two weeks for justified reasons. The Appeal shall be addressed to the Appellate Authority through proper channel against the decision of the Disciplinary Authority. The Authority whose order is appealed against or dealing Executive or the Head of the Department shall forward the Appeal together with its comments and the records of the case to the Appellate Authority within 15 days. The Appellate Authority shall consider whether the findings are justified or whether the penalty is excessive or inadequate and pass appropriate orders within three months of the date of appeal. The Appellate Authority may pass order confirming, enhancing, reducing or setting aside the penalty.

PROVIDED that if the enhanced penalty which the Appellate Authority proposed to impose is a major penalty, the Appellate Authority shall direct that an enquiry be held if not already held and thereafter consider the records of the enquiry and pass such orders as it may deem proper. If the Appellate Authority decides to enhance the punishment, the Appellate Authority shall give a Show Cause Notice to the employee as to why the enhanced penalty should not be imposed upon him giving him an opportunity to submit his explanation. The Appellate Authority may grant a personal hearing to the employee on request for justified reasons. The Appellate Authority shall pass final order after taking into account the representation, if any, submitted by the employee.

- Note:** (1) Order of the Disciplinary Authority and Appellate Authority under Cl. 25 to 27 shall be communicated to the employee in writing.
- (2) For the purpose of Clause 25 to 27, regarding Disciplinary matters and for any other Clause of these Rules, the correspondence relating to the matter may be handled by HR / Personnel Department. However, a Charge-sheet, orders instituting Domestic Enquiry or Suspension orders or orders imposing penalty or final order disposing an appeal shall be signed by the Disciplinary Authority or the Appellate Authority, as the case may be.
- (3) Whenever, a punishment of reduction to a lower stage in the same scale of pay or reversion to a lower scale of pay or stoppage of increment is imposed, the pay which the concerned employee would draw as a result of punishment and the entitlement or otherwise of the future increment(s) should invariably be indicated in the order communicating the punishment, so that the orders and its consequences are clear and unambiguous.

GENERAL

28. CERTAIN BASIC CONDITIONS OF SERVICE:

28.1 Antecedents:

28.1.1 No person who has been dismissed from the services of:

- (a) A Company / Corporation
- (b) Government including State Government
- (c) Government Company
- (d) PSU
- (e) Private Company or
who has been convicted by any Criminal Court for an offence involving moral turpitude is eligible for appointment in the Corporation.

28.1.2 In the event of the Corporation coming to know, subsequent to the appointment of the employee, his antecedents that would have made him ineligible for employment under Clause 28.1.1 above, his services shall be liable to be terminated without any notice and without following any procedure prescribed in these Rules.

28.2 Probation on Appointment:

On initial appointment, an employee will be on probation for a period of one year. This period can be extended for a period not exceeding six months at a time at the discretion of the Competent Authority due to unsatisfactory conduct or performance during the probationary or extended period of probation to ascertain his suitability for regular employment. If the performance or conduct during the normal probation period or the extended period is found not satisfactory, the service of the employee is liable for termination at the end of the probationary period. The decision of the Management regarding confirmation or extension of probation or termination shall be at its sole discretion and shall be conveyed to the employee in writing. The employee shall be deemed to be under probation till confirmed in writing.

28.3 Probation on Promotion:

An employee on promotion to a higher grade / post will be on probation for a period of one year from the date of assuming charge of higher grade / post. This period can be extended for a period not exceeding six months at a time at the discretion of the Competent Authority due to unsatisfactory conduct or performance during the probationary or extended period of probation. The decision of the Management regarding confirmation or extension of probation or reversion shall be conveyed to the employee in writing. The employee shall be deemed to be under probation, till confirmed in writing.

Note: Probationary period shall not be extended beyond the original period in the case of appointment and promotion. On expiry of the extended period of probation mentioned in Clause 28.2 and 28.3, the services of the employee directly recruited shall be terminated and the promotee reverted to the original post.

28.4 Determination of employee's age:

In determining the age of the employee, his SSLC certificate only will be admitted as proof of age. Where the employee is less than SSLC or where the SSLC certificate cannot be produced due to justified reasons supported by necessary proof thereof, the Birth Certificate issued by the Office of the Registrar of Births and Deaths or the decision of a Medical Expert nominated for the purpose or a Medical Board constituted by the Corporation will be final. Once the date of birth is determined at the time of entry into the service, the same will not be altered for any reason whatsoever and shall be final and binding for all purposes during the employee's service in the Corporation and also for the purpose of retirement, notwithstanding any subsequent request for alteration or direction, declaration, undertaking whatsoever, to the contrary.

28.5 Acceptance of resignation:

If an employee tenders his resignation from the post held by him in the Corporation, for whatever reasons, the Competent Authority reserves the right not to accept the resignation, if disciplinary proceedings are pending against that employee or contemplated to be initiated against him for serious misconduct or during subsistence of a vigilance case.

28.6 Voluntary abandonment of service:

If an employee absents without leave for more than 15 consecutive days or remains absent for more than 15 consecutive days beyond the period of leave granted, he shall be deemed as having voluntarily left and abandoned the Corporation's service from the date of commencement of such unauthorised absence, provided the fails to report for duty within the time specified in the notice by the Management to the employee.

28.7 Retirement:

28.7.1 On medical grounds:

Any employee may, at the discretion of the Competent Authority, be examined by a Medical Expert or a Medical Board constituted for the purpose, at any time during the course of his employment with the Corporation to find the employee's fitness or otherwise for continuation of his employment in the Corporation. If the employee is found unfit for continued employment by the Competent Authority, he shall be retired on medical grounds, by giving three month's notice or payment of basic and DA in lieu thereof.

Explanation – I: If an employee has been continuously on leave on medical grounds for a period of 3 months or more or if a person though attending duties, but is found to be mentally unsound / deranged, or unable to perform duties for health reasons, his case may be referred, on the recommendation of the Departmental Head, to a Medical Expert or Board for thorough medical check up and report –

- the exact nature of disease he is suffering from,
- whether it is curable or incurable,
- whether the disease is infectious or contagious,
- in case of curable disease, whether the person is likely to be fit to resume duties within a period of 12 months.

Explanation – II: If the person is not fit to resume his duties within 12 months and in the cases of employees suffering from incurable and infectious / contagious disease or suffering from lunacy or mental derangement and whose services cannot be utilised by the Corporation or whose presence at the workplace is likely to pose a health hazard to other employees as may be certified by the Medical Expert / Board, retirement on medical grounds will be considered by the Competent Authority.

28.7.2 On attaining the age of superannuation:

- (a) The age of superannuation shall be 58 years and accordingly, any employee shall retire from service on the last day of the month in which he attains the age of superannuation. If the date of birth of an employee is on the 1st day of any calendar month, say 1st April, he shall retire on the last day of the previous month, i.e. 31st March.
- (b) An employee may, at any time after completing the age of 50 years, voluntarily retire by giving three month's notice in writing or payment of Basic Pay and DA in lieu thereof.
- (c) The Competent Authority may also retire an employee at any time after he completes 50 years, by giving three month's notice or payment of Basic Pay and DA in lieu of the notice, if it is considered in the interests of the Corporation.

Note: The Competent Authority for the purpose of Clause 28.7 shall be an officer not below the rank of a General Manager.

29. SERVICE OF ORDERS, NOTICES ETC. :

Every order, notice and other communication made or issued under these Rules shall be served in person on the employee concerned or communicated to him by Registered Post at the employee's last known address. In case the employee is absent from duty or refuses to accept and acknowledge such communication, the same shall be sent by Registered Post / Courier Service of repute / E-mail / Under Certificate of Posting and a copy thereof shall be placed on the Notice Board or pasted on his house. Upon doing so, such communication shall be deemed to have been served on the employee concerned even if the envelope was received back undelivered. It shall be the responsibility of every employee to keep the Competent Authority informed of his change in address, if any, from time to time.

30. SAVINGS:

- 30.1 Any misconduct committed prior to the issue of these Rules, which was misconduct under the superseded Rules, or the Conduct, Discipline and Appeal Rules of the erstwhile Subsidiary Corporations of NTC Ltd. shall be deemed to be misconduct under these Rules.
- 30.2 The proceedings pending at the commencement of these Rules shall be continued and disposed, as far as may be, in accordance with the provisions of these Rules, as if such proceedings were proceedings under these Rules.
- 30.3 An appeal pending at the commencement of these Rules against an order made before the commencement of these rules, shall be considered and orders thereon shall be made in accordance with these rules.
- 30.4 Any misconduct committed by employees of Mill / Units to whom Standing Orders were applicable, prior to their transfer to an office / place where these rules are applicable, further proceedings will be conducted or continued and disposed under these rules.
- 30.5 The powers vested in any authority of the Corporation, under these Rules may be exercised by any other authority to which such authority is subordinate, including the Government.

31 INTERPRETATION:

If any question arises relating to the interpretation of these Rules, it shall be referred to the Chairman & Managing Director through the Functional Director / Departmental Head / proper channel, whose decision thereon shall be final.

32. AMENDMENTS:

The Board may amend, modify, alter or add to these Rules, from time to time and all such amendments, modification, alterations or additions shall take effect from the date started therein.

DISCIPLINARY AUTHORITY
&
APPELLATE AUTHORITY

Sl. No.	Category of Personnel	Disciplinary Authority	Appellate Authority
1.	Directors appointed by the Government	Secretary to the Govt. Ministry of Textiles	Appointing Authority in the Government
2.	Executive Director	Chairman & MD	Board
3.	Chief General Manager / General Manager / Dy. General Manager	Director	Chairman & MD
4.	Executives below Dy. General Manager	General Manager	Director
5.	Executive below the level of Manager, Supervisors & other Staff including those posted in Showrooms	Manager	Dy. General Manager
6.	Workmen	Dy. Manager	Dy. General Manager

- NOTE: 1) Powers of the Disciplinary Authority and Appellate Authority can be exercised by an Authority higher in rank (Ref. Clause 30.5).
- 2) In the absence of a Functional Director of a particular discipline, Director (HR) shall be the Disciplinary Authority / Appellate Authority.
- 3) If an Authority higher than the Discipline Authority (defined as Appellate Authority above) imposes the punishment, the next higher authority to such Authority shall be the Appellate Authority in respect of such cases, so that the appeal can be considered by the next Higher Authority to the Authority Imposing the punishment.

THE DOWRY PROHIBITION ACT 1961 (Ref. Clause 23.1.38)

(No. 28 of 1961)

DEFINITION OF DOWRY:

In this Act "Dowry" means any property or valuable security given or agreed to be given either directly or indirectly:

- a) By one party to a marriage to the other party to marriage; or
- (b) By the parents of either party to a marriage or by any other person to either party to the marriage or to any other person;

at or before or after the marriage as consideration for the marriage of the said parties, but does not include dower or mahr in the case of persons to whom the Muslim Personal Law (Shariat) applies.

Explanation 1 : -

For the removal of doubts, it is hereby declared that any presents made at the time of a marriage to either party to the marriage in the forms of cash, ornaments, clothes or other articles, shall not be deemed to be dowry within the meaning of this section, unless they are made as consideration for the marriage of the said parties.

Explanation 2 : -

The expression 'Valuable Security' has the same meaning as in section 30 of the Indian Penal Code.

NATIONAL TEXTILE CORPORATION LIMITED

FORM No. 1

ANNEXURE-3

STATEMENT SHOWING DETAILS OF IMMOVABLE PROPERTY ON FIRST APPOINTMENT AND ALSO ON 1 st OF JANUARY OF EACH CALENDAR YEAR (Annual statement to be submitted before 7th January) (e.g. Land / House / Shops / Other Building etc.)						
NAME	UNIT		DATE OF JOINING	BASIC PAY		
DESIGNATION						
Sl. No.	Details / Description of Property and its location (see Notes 1 & 5 below) House/Building/Land No.)	If not in own name, state in whose name held and his/her relationship, if any, to the employee	How and when acquired (See Notes. 2 & 6 below)	Value of the Property (see Note . 3 below)	Total annual income from the property	Remarks
1	2	3	4	5	6	7

Note: 1. If the property is not wholly owned , the extent of share may also be indicated.

Note: 2. For the purpose of Col.4 the term 'lease' would mean a lease of immovable property from year by year or for any term exceeding one year of reserve yearly rent. When, however, the lease of immovable property is obtained from a person having official dealings with the employee, such a lease should be indicated in this column irrespective of the term of the lease whether it is short term or long term, and the periodicity of the payment of rent:

Note: 3. In Column 5 Should be shown:

(a) Where the property has been acquired by purchase, mortgage or lease, the price of premium paid for such acquisition.

(b) Where it has been acquired by lease the total annual rent thereof also and

(c) Where the acquisition is by inheritance, gift or exchange, the approximate value of the property so acquired.

Note: 4. The annual return in respect of immovable property may also be submitted in this form as on 1st January.

Note: 5. Name of District, Division, Taluka & Village in which the property is situated and also its distinctive number etc., will be given in Col 2.

Note: 6. Whether by purchase, mortgage, lease, inheritance, gift or otherwise and name with details of person / persons from whom acquired.

Address and connection, if any, with person / persons concerned are also to be give in this Column.

Signature :

Employee No. / T No.:

Date

NATIONAL TEXTILE CORPORATION LIMITED

FORM No. 2 (Original No. 3)

STATEMENT OF ASSETS & LIABILITIES

ANNEXURE-3

DETAILED STATEMENT IN RESPECT OF SHARE / DEBENTURES PURCHASED UNDER PROMOTERS / EMPLOYEES QUOTA AS ON 1st JANUARY OF EACH CALENDAR YEAR IN OFFICERS OWN NAME AND ALSO THOSE HELD IN THE NAMES OF SPOUSE AND DEPENDENT CHILDREN (To be Submitted before 7th January)

NAME		DATE OF JOINING	
DESIGNATION		BASIC PAY	
UNIT		PF INDEX No.	

SI No.	Name of the Company	No. of shares	Face Value	Cost of acquisition	Weather promoters / employees quota	How acquired	Position held at the time of acquisition and if the company had any borrowing or other facilities at that time
1	2	3	4	5	6	7	8
1	A : SELF						
	B S P O U S E & DEPENDENT CHILDREN						
2	Any Addition / deletion to this statement as on 1st January-----And the profit / loss incurred by me are given below						

PLACE :

DATE:

NATIONAL TEXTILE CORPORATION LIMITED

Continued: Page-2

FORM No. 2 (Page .2)

ANNEXURE-3

To be submitted alongwith the Assets & Liabilities Statement as on 1st January of every year

FORM for giving information where total transaction in share \ securities, debentures and investment in mutual fund schemes etc., exceed Rs. 25,000/- during the calender year as on 1st January.....

1.	Name and Designation	
2.	a) Scale of pay & present pay b) PF Index No.	
3.	Details of each transaction made in share, securities, debentures, mutual funds scheme etc., during the calender year. Particulars of the party / firm with whom transaction is made. a) Is Party related to you ? b) Did you have dealing with the party in your official capacity at any time or is the applicant likely to have any dealings with you in the near future ?	
4.	Source or sources from which financed ? a) Personal Savings b) Other sources giving details.	
5.	Any other relevant fact which you may like to mention.	
Declaration		
I hereby declare that the particulars given above are true.		
Place :		Signature :
Date :		Designation :

NATIONAL TEXTILE CORPORATION LIMITED

(A Government of India Undertaking)
5th Floor, CORE IV SCOPE Complex,
7, Lodhi Road
NEW DELHI - 110 003

ACKNOWLEDGEMENT

Received a copy of the revised NTC Ltd. Conduct, Discipline and Appeal Rules, 2009 circulated vide CMD's Office Order No. CMD/12/04 dated:- 15-6-2009 which came into force with effect from 15-6-2009

Signature

Name

Designation

Emp. No. Department

Date:.....

Place of working
(Head Office / Regl. Office /
Sub-office / Mills etc.)

Note : This acknowledgement should be filed in the Personal File.